



**APERC Workshop at EWG47, Kunming, China  
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***4. Oil and Gas Emergency Exercises  
4-5. Possible Future Activities for Oil and Gas Security in  
APEC  
- Proposal of APEC Oil and Gas Security Initiative (OGSI) -***

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# Outline

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3. Establish the APEC Oil and Gas Security Network (OGSN)
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## 1. Introduction

- Given the existing and emerging challenges to oil and gas security in the APEC region, activities for oil and gas security by APEC should be continued in the future.
- **The APEC Oil and Gas Security Initiative (OGSI)** should succeed the APEC Oil and Gas Security Exercises (OGSE).
- The OGSI will address various issues relating to APEC oil and gas security and will consist of **three overarching activities**:

# New Launch of APEC Oil and Gas Security Initiative (OGSI)

## 1. Voluntary Implementation of **Oil and Gas Security Exercise (OGSE)** by APEC Economies

- To establish “Oil and Gas Security Exercise Model Procedure (EMP)”.
- To assist voluntary exercises by dispatching APERC researchers and/or registered experts from IEA, ASEAN institutions, IEEJ, etc. upon the request of each Economy.

## 2. Establish APEC **Oil and Gas Security Network (OGSN)**

- Members: In principle, government officials responsible for policy related to oil and gas security in each Economy
- Secretariat: APERC
- Major projects
- ◆ **Information Sharing and Transmission through Mailing List**

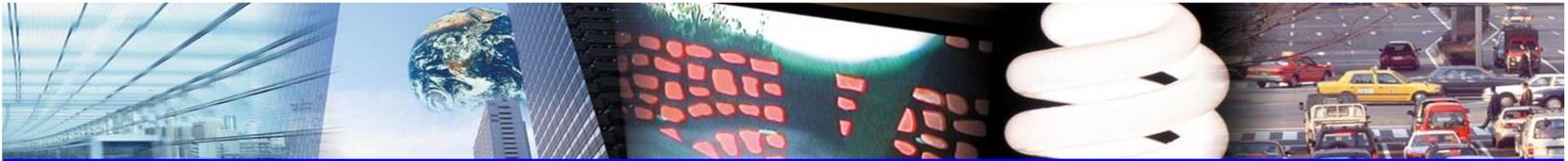
To transmit updated information on oil and gas security through publishing “Newsletter”.

### ◆ **OGSN Forum**

To hold the OGSN Forum for delegates from each Economy once a year in principle, in order to share information and exchange views on oil and gas security and also jointly discuss how to improve emergency preparedness.

## 3. Publish **Oil and Gas Security Studies (OGSS)**

- To research on issues related to oil and gas security and publish one or two reports per year as part of an Oil and Gas Security Studies (OGSS) series.
- The OGSS series will be presented at OGSN Annual Forum and uploaded to APERC’s homepage. A limited number of prints will be distributed to APEC EWG members.
- Examples of research themes for the OGSS Series include:
  - a. The potential impact of political and social instability in the Middle East on APEC’s oil and gas security.
  - b. The impact of Arctic melting on new opportunities for oil and gas resources and trade routes.
  - c. The current situation of oil and gas storage in the APEC region and possibility of building a stockpile system.



## ***2. Voluntary Implementation of Oil and Gas Security Exercise (OGSE) by APEC Economies***

- APEC Economies' demand for energy, - oil and natural gas in particular - continues to rapidly grow. However, the international energy situation is not so stable.
- Increasingly frequent natural disasters can cause sudden disruptions to energy supply.
- APEC Economies should continue to carry out security exercises in order to improve their emergency preparedness.
- Such exercises are often difficult to organize for international organizations like APERC, as they inevitably involve sensitive information related to national security.



## **2. Voluntary Implementation of Oil and Gas Security Exercise (OGSE) by APEC Economies**

⇒ APEC should strongly encourage APEC Economies to **implement the Oil and Gas Security Exercise (OGSE) voluntarily.**

- In order to facilitate this voluntary Exercise, APERC will **establish an “Oil and Gas Security Exercise Model Procedure (EMP)”** based upon its experience with the APEC Oil and Gas Security Exercises, and supply the EMP to each Economy.
- APERC will also **dispatch APERC researchers and/or registered experts from IEA, ASEAN institutions, IEEJ, etc.** upon the request of each Economy, as far as APERC budget allows, in order to assist the voluntary Exercise.



### ***3 . Establish the APEC Oil and Gas Security Network (OGSN)***

- In order to improve oil and gas security, information exchange among APEC Economies is very useful, particularly in emergency situations.
  - While **the Real-Time Emergency Information Sharing System (RTEIS)** still exists, it needs fundamental reforms.
    - Information on petroleum prices supplied by RTEIS is easily available through other media.
    - A chat system of RTEIS has not been utilized by APEC Economies' senior officials.
- ⇒ It is better to **establish an APEC Oil and Gas Security Network (OGSN)** in order to encourage information sharing and transmission through a mailing list, which will replace the existing RTEIS.



### ***3 . Establish the APEC Oil and Gas Security Network (OGSN)***

- Members of OGSN: Government officials responsible for policy related to oil and gas security in each Economy.
- Secretariat of OGSN: APERC
  - To maintain the mailing list of OGSN once a month.
  - To publish the **OGSN “Newsletter”** monthly in order to transmit updated information on oil and gas security.
- **The OGSN Forum**: For delegates from each Economy once a year in principle,
  - To share information on oil and gas security;
  - To exchange views on oil and gas security;
  - To jointly discuss how to improve emergency preparedness.



## 4. Publish the Oil and Gas Security Studies (OGSS)

- APERC will research issues related to oil and gas security and publish one or two reports per year as part of the **Oil and Gas Security Studies (OGSS)** series.

- **Examples of research themes** for the OGSS Series will include:

[Resources issues]

- The potential impact of political and social instability in the Middle East on APEC's oil and gas security;
- The depletion of conventional oil and gas resources in the APEC region and the danger of "resource nationalism";
- The amendment of the Mexican Constitution and its impact on upstream development of oil and gas;
- The challenge and potential of unconventional oil and gas resources;



## ***4. Publish the Oil and Gas Security Studies (OGSS)***

- **Examples of research themes** for the OGSS Series will include:

[Distribution issues]

- The contribution to energy security by the ASEAN Gas Pipelines;
- The increase in natural gas utilization in China by gas pipelines with the Central Asia;
- The supply disruption risk of oil and gas in sea lanes and the possible responding measures;
- The impact of Arctic melting on new opportunities for oil and gas resources and trade routes;
- The contribution to energy security from a internationally connected power grid;



## ***4. Publish the Oil and Gas Security Studies (OGSS)***

- **Examples of research themes** for the OGSS Series will include:

[Stockpiling and interchange issues]

- The current situation of oil and gas storage in the APEC region and the possibility of building a stockpile system;
- The Implementation of ASEAN Petroleum Security Agreement (APSA) and the possibility to expand it to the whole APEC region;
- The possibility of LNG interchanging system for gas supply security in ASEAN countries;

[Alternative energy issues]

- The current situation and problems of nuclear energy development in the APEC region as an alternative power source to oil and gas power;
- The feasibility of Integrated Fast Reactor (IFR) and its impact on the supply and demand situation of oil and gas;



## 5. Conclusion

- With the approval of EWG47, APERC will include **the proposal of OGSi** (to implement **OGSE voluntarily**, to establish **OGSN** and to publish **OGSS**) to the final report of APEC OGSE which will be submitted it to EMM 11 in 2-3 September 2014 at Beijing, China.
- Upon the approval and instruction of EMM 11, APERC will launch **OGSi** in order to continuously improve oil and gas security in the APEC region.